#### 19.1101

for emerging small businesses in accordance with 19.1007(c).

(c) Insert in full text the provision at 52.219–21, Small Business Size Representation for Targeted Industry Categories under the Small Business Competitiveness Demonstration Program, in all solicitations issued in each of the targeted industry categories under the Small Business Competitiveness Demonstration Program that are expected to result in a contract award in excess of \$25,000.

[55 FR 52793, Dec. 21, 1990. Redesignated and amended at 65 FR 16276, Mar. 27, 2000; 70 FR 11742, Mar. 9, 2005]

# Subpart 19.11—Price Evaluation Adjustment for Small Disadvantaged Business Concerns

SOURCE: 63 FR 35724, June 30, 1998, unless otherwise noted.

### 19.1101 General.

A price evaluation adjustment for small disadvantaged business concerns shall be applied as determined by the Department of Commerce (see 19.201(b)). Joint ventures may qualify provided the requirements set forth in 13 CFR 124.1002(f) are met.

## 19.1102 Applicability.

- (a) This subpart applies to the Department of Defense, National Aeronautics and Space Administration, and the U.S. Coast Guard. Civilian agencies do not have the statutory authority (originally authorized in the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355, Sec. 7102)) for use of the Small Disadvantaged Business (SDB) price evaluation adjustment.
- (b) Use the price evaluation adjustment in competitive acquisitions in the authorized NAICS Industry Subsector.
- (c) Do not use the price evaluation adjustment in acquisitions—
- (1) That are less than or equal to the simplified acquisition threshold;
- (2) That are awarded pursuant to the 8(a) Program;
- (3) That are set aside for small business concerns;

- (4) That are set aside for HUBZone small business concerns;
- (5) That are set-aside for service-disabled veteran-owned small business concerns:
- (6) Where price is not a selection factor so that a price evaluation adjustment would not be considered (e.g., architect/engineer acquisitions); or
- (7) Where all fair and reasonable offers are accepted (e.g., the award of multiple award schedule contracts).

[64 FR 36223, July 2, 1999, as amended at 65 FR 46057, July 26, 2000; 69 FR 25278, May 5, 2004; 70 FR 57463, Sept. 30, 2005]

#### 19.1103 Procedures.

- (a) Give offers from small disadvantaged business concerns a price evaluation adjustment by adding the factor determined by the Department of Commerce to all offers, except—
- (1) Offers from small disadvantaged business concerns that have not waived the evaluation adjustment; or, if a price evaluation adjustment for small disadvantaged business concerns is authorized on a regional basis, offers from small disadvantaged business concerns, whose address is in such a region, that have not waived the evaluation adjustment: or
- (2) An otherwise successful offer from a historically black college or university or minority institution.
- (b) Apply the factor to a line item or a group of line items on which award may be made. Add other evaluation factors such as transportation costs or rent-free use of Government facilities to the offers before applying the price evaluation adjustment.
- (c) Do not evaluate offers using the price evaluation adjustment when it would cause award, as a result of this adjustment, to be made at a price that exceeds fair market price by more than the factor as determined by the Department of Commerce (see 19.202–6(a)).

[63 FR 35724, June 30, 1998, as amended at 63 FR 52427, Sept. 30, 1998; 64 FR 36223, July 2, 1999; 64 FR 72419, Dec. 27, 1999; 69 FR 1053, Jan. 7, 2004; 70 FR 33661, June 8, 2005; 70 FR 57463, Sept. 30, 2005]

## 19.1104 Contract clause.

Insert the clause at 52.219–23, Notice of Price Evaluation Adjustment for